

Access, Quality, & Affordability of Early Care & Education

Early Childhood & School Readiness Legislative Commission

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COLORADO CHILDREN'S CAMPAIGN
Every Chance for Every Child

Outline of Key Themes



- Why Early Childhood?
 - Brain science
 - Realities facing today's working families
 - Economic & Educational Return on Investment
- What are the consequences of limited access to early care and education?
 - Child, Family, Community, and Economic Consequences
- Why is access to quality early care and education limited?
 - Focusing on the Early Childhood Workforce
- Considerations for Policymakers

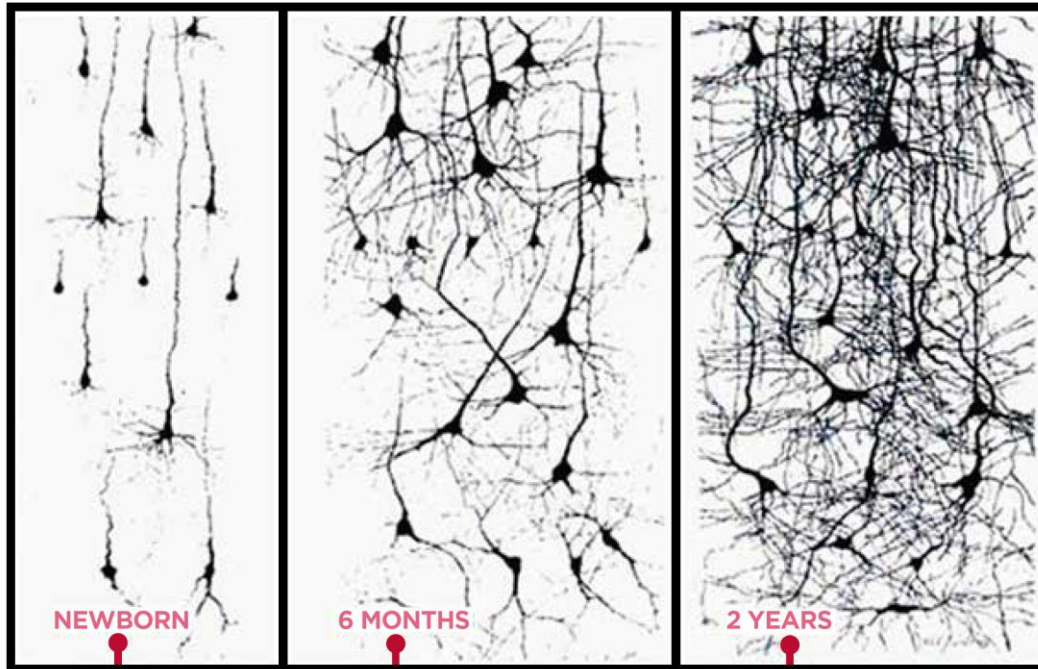
Why Early Childhood?



Well-nurtured Young Brains Grow Rapidly

+1,000,000

MORE THAN 1 MILLION NEW
NEURAL CONNECTIONS ARE
CREATED IN YOUNG BRAINS
PER SECOND



Source: Harvard Center on the Developing Child, <https://developingchild.harvard.edu/resources/five-numbers-to-remember-about-early-childhood-development/>



Early Care & Education Is A Reality for Most Colorado Families

Child care
is a reality for
Colorado families:

3 out of **5**

Colorado children
under 6 have all
parents in the workforce.

Almost **2/3** of mothers with children under 6 are working outside the home, compared with fewer than 1 in 10 in 1940—a **sevenfold** increase.

Nearly **3 in 10** mothers now return to work within two months of their baby's birth, and almost **40%** with an infant under a year old are employed full time.



There is a Substantial **Economic** Return for Investing in Early Childhood



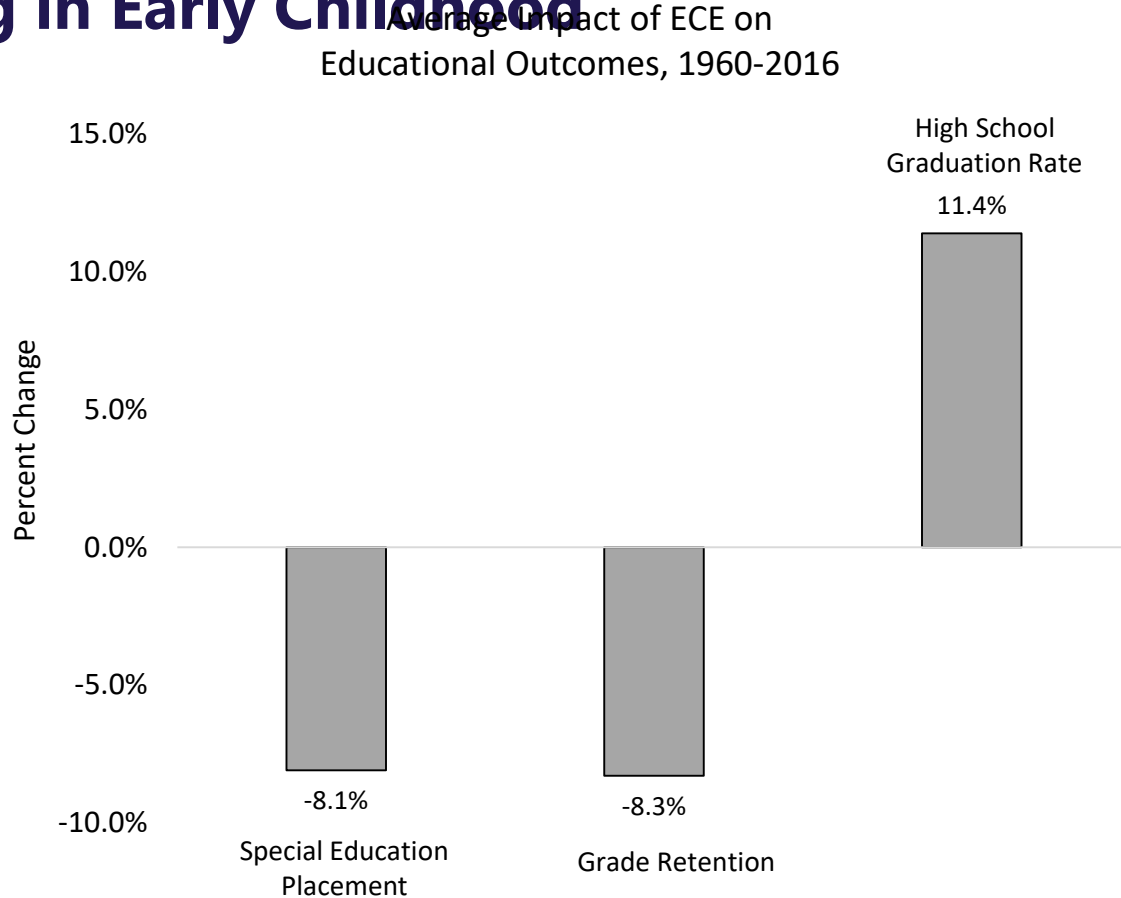
For every job created in the Colorado early care and education sector, **1.5** jobs are created in the state's economy.

(http://earlymilestones.org/wp-content/uploads/2017/08/full_report_bearing_the_cost_2017.pdf)



For every dollar spent in the Colorado early care and education sector, **\$2.25** is contributed to the state's economy.

There is a Substantial **Educational** Return for Investing in Early Childhood



McCoy, Yoshikawa, Ziol-Guest, et. al., 2017

There is a Substantial **Educational** Return for Investing in Early Childhood



Compared to their peers with similar risk factors who did NOT participate in CPP, CPP graduates are:

.....

Half

.....

as likely to be held back a grade during the K-3 years

.....

7%

.....

less likely to be identified as having a significant reading deficiency

.....

23%

.....

more likely to graduate from high school within four years

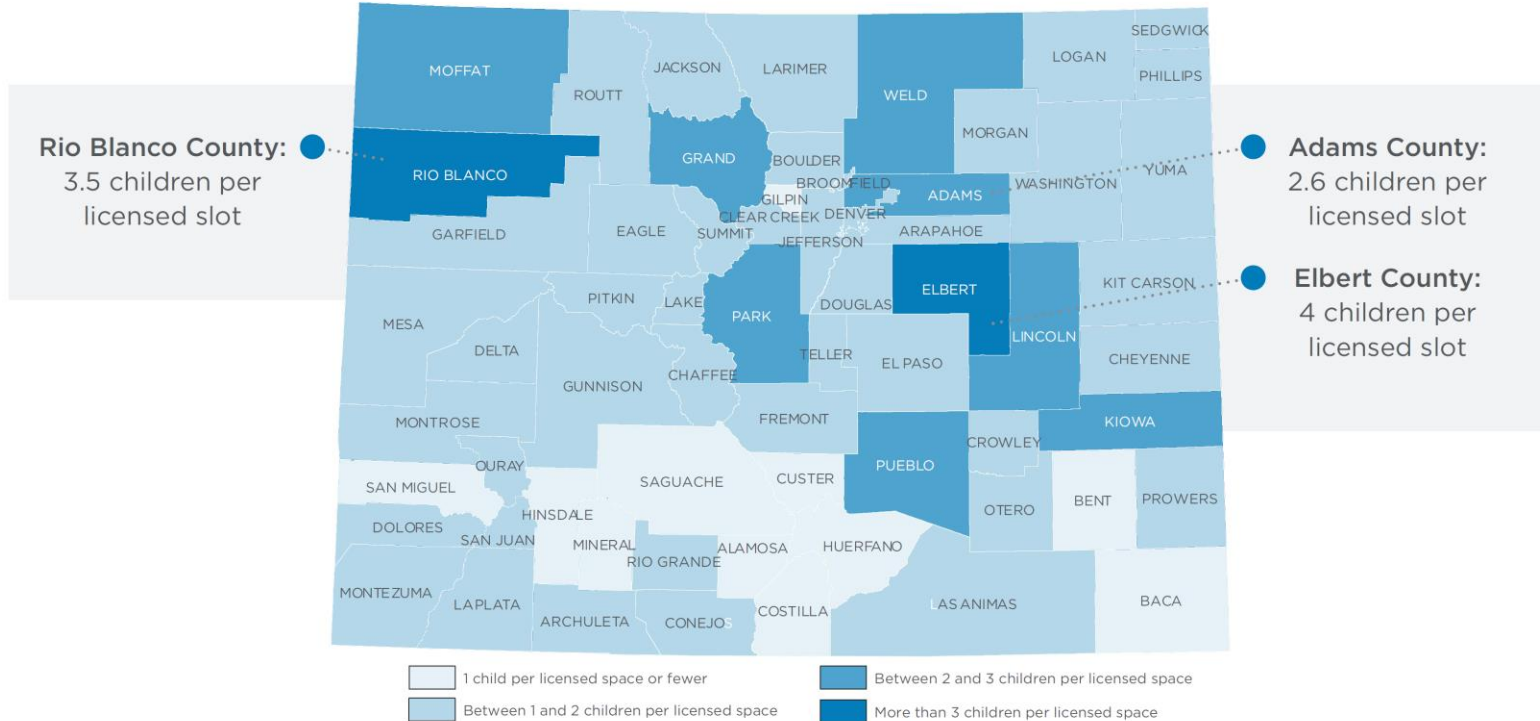
**What are
the
consequenc
es of limited
access to
early care
and
education?**



Access to Early Care & Education is Inadequate in



NUMBER OF CHILDREN UNDER 6 WHO LIKELY NEED CARE PER LICENSED SLOT IN CHILD CARE CENTERS, FAMILY CHILD CARE HOMES AND PRESCHOOLS

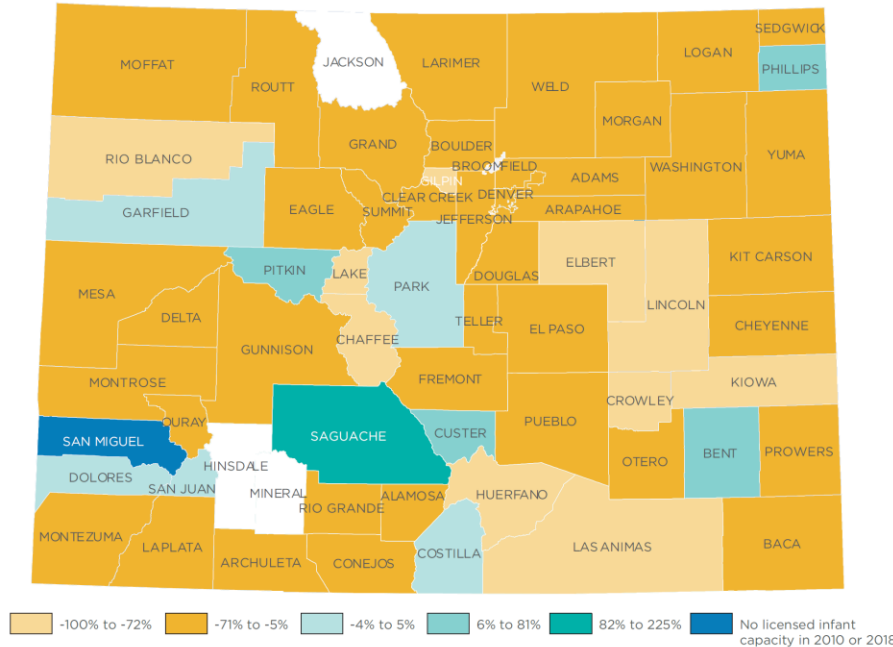


Sources: Colorado Children's Campaign analysis of data from the U.S. Census Bureau, 2013-2017 American Community Surveys and the Colorado Office of Early Childhood.

Access to Early Care & Education is Inadequate in Colorado



PERCENT CHANGE IN LICENSED CHILD CARE CAPACITY FOR CHILDREN UNDER 12 MONTHS OLD, JULY 2010 TO JULY 2018

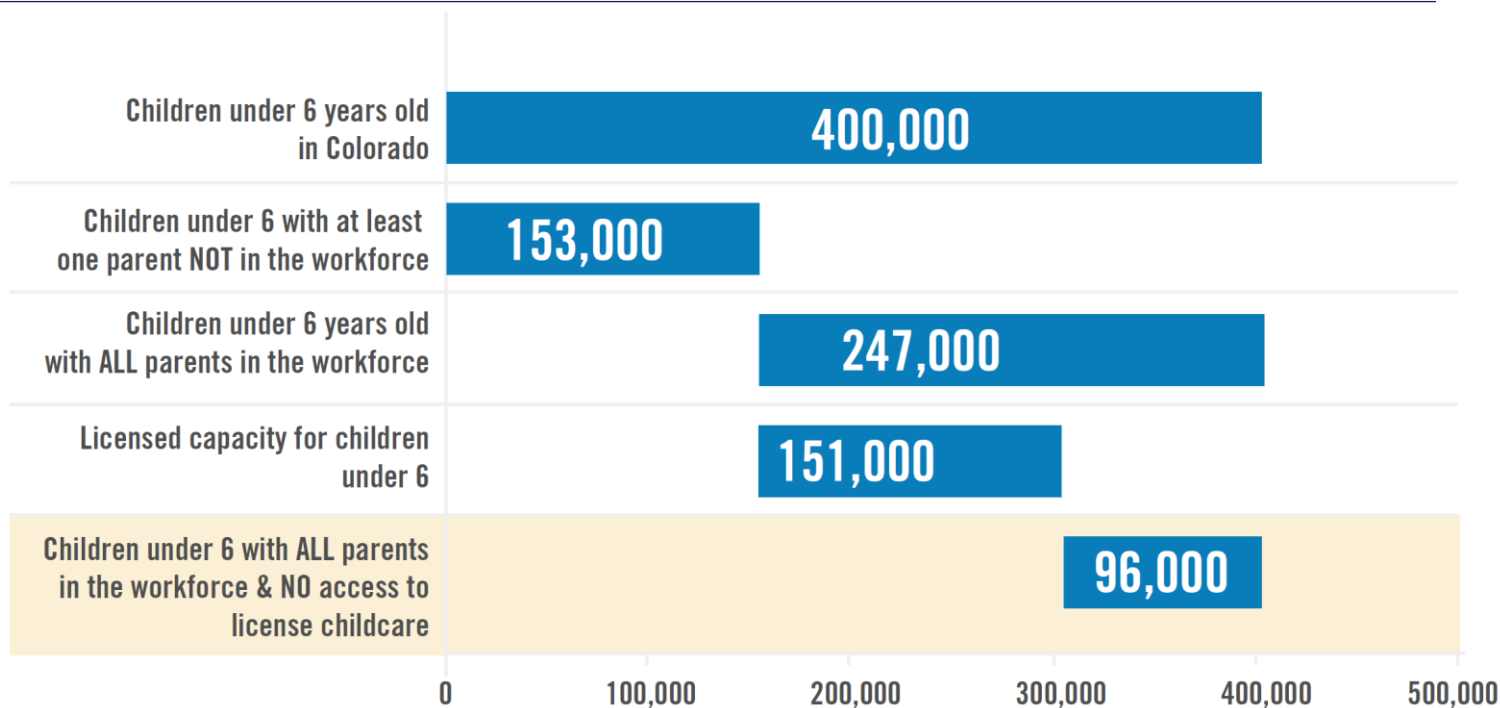


Source: Colorado Office of Early Childhood.

Between 2010 and 2018, all but 12 of Colorado's 64 counties saw a decline in licensed child care capacity for infants or had no infant capacity in the first place.

Five rural counties lost *all* licensed infant slots during this time period.

Lack of Access Has Dramatic Consequences for Children, Families & the Economy



Sources: U.S. Census Bureau, 2017 American Community Survey, and the Colorado Office of Early Childhood.

Lack of Access Has Dramatic Consequences for Children, Families & the Economy



- Longer pathway to self-sufficiency
 - Parents who receive assistance with child care have a higher probability of being employed and a shorter transition from welfare to work
- Lower labor force participation
 - Economic growth is hampered by a lack of available employees. Use of paid child care is highly correlated with labor force participation among women, with over half (53 percent) of children under the age of 5 with a mother who is working full-time participating in paid child care.
- Preventable child deaths
 - Between 2013 and 2017, 223 child maltreatment deaths were identified in the most recent Child Maltreatment Fatality Report as ones that “might have been prevented had quality, affordable child care been available to all families that need it.”

Lack of Access Has Dramatic Consequences for Children, Families & the Economy



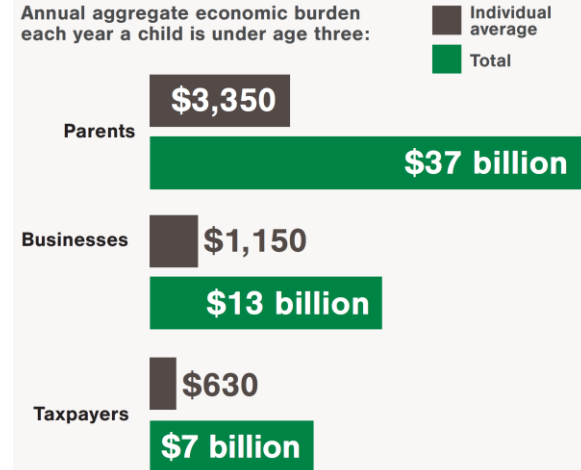
How child care problems adversely affect the economy

Individual Parents	Businesses	Taxpayers
<p>Lost earnings now from lower productivity and less work experience</p> <p>Extra costs of job search for alternative work and child care arrangements</p> <p>Lost earnings in the future from lower productivity, less work experience, and lower skills upgrading</p>	<p>Lost revenues now from lower output</p> <p>Extra costs to rehire quits and cover absenteeism</p> <p>Extra costs to manage disrupted workers</p> <p>Lost revenues in the future from lower output</p>	<p>Lost tax revenue now from lower GDP</p> <p>Lost sales and consumption tax revenue</p> <p>Lost tax revenue in the future</p>

The economic impacts of insufficient child care on parents, employers, and taxpayers

Insufficient care for children under the age of three costs individuals, businesses, and the country billions of dollars each year.

Annual aggregate economic burden each year a child is under age three:



Access is Disproportionate based on Income



- Nationwide, at age 4, enrollment in pre-K is about 65 percent for the lowest 40 percent of families by income and 90 percent for the highest income quintile.
- At age 3, when state pre-K is rarely provide, enrollment is only about 40 percent for low-income and moderate-income families while it is 80 percent for the top income quintile.
- Overall, the US ranks 32nd of 39 OECD countries for ECE enrollment

Why is access to quality early care and education so expensive and limited?



- If we know that
 - 1) The early years are a time of rapid **brain development** when children are learning wherever they are,
 - 2) The need for access to affordable early care and education is something **most families** with young children are struggling with,
 - 3) There is a substantial educational & economic **return on investment**, and
 - 4) Failure to support access to quality early care and education has **significant consequences**,

Then why is quality, availability, and affordability of early childhood services so limited?

One piece of the puzzle is understanding **the early childhood workforce**.

Supporting the EC Workforce



Demand for Early Childhood Services Will Increase as Colorado Grows



Colorado's population of 0–4-year-olds will increase by about
10% by 2021, and by almost
22% by 2026.

Colorado Department of Local Affairs, State
Demography Office (2016)

Demand for Early Childhood Services Will Increase as

Colorado Grows



Table 7. Employment projections for Colorado's early care and education occupations

Occupation	Estimated/Projected Employment				Employment Change		Percent Change	
	2015	2016	2018	2025	2016-2018	2015-2025	2016-2018	2015-2025
Childcare Workers	13,415	13,947	14,847	17,883	900	4,468	6.45%	33.31%
Education Administrators, Preschool and Childcare Center/Program	703	714	761	1,005	47	302	6.58%	42.96%
Preschool Teachers, Except Special Education	7,688	7,802	8,329	10,967	527	3,279	6.75%	42.65%

Colorado Department of Labor and Employment. (2016). *Occupational Projections (Short-term) for Multiple Occupations in Colorado in 2016-2018*. Available from <https://www.colmigateway.com>; Colorado Department of Labor and Employment.

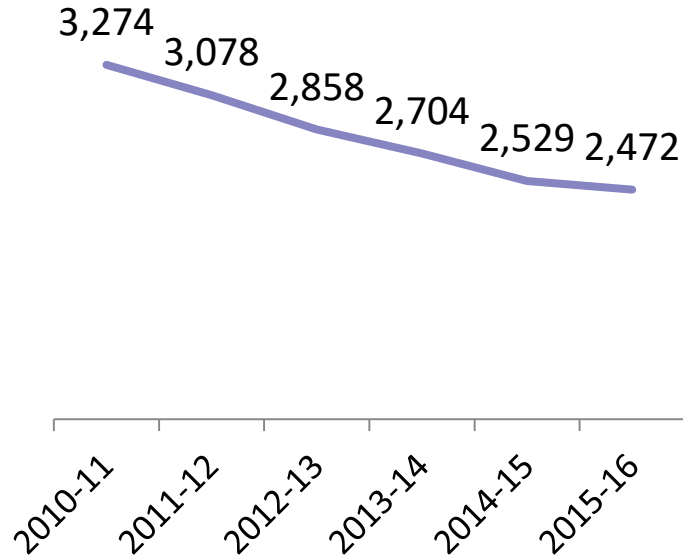
(2016). *Occupational Projections (Long-term) for Multiple Occupations in Colorado in 2015-2025*. Available from <https://www.colmigateway.com>

Many Colorado communities are struggling to find qualified teachers for positions in schools and early childhood programs.

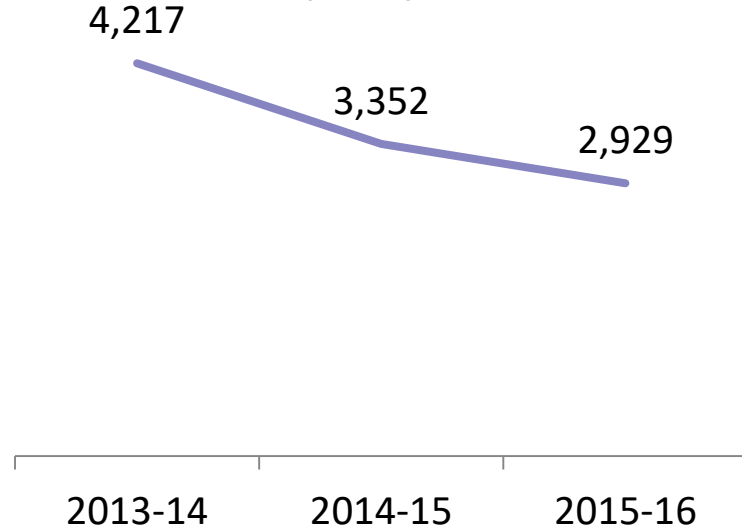


programs.

Since 2010-2011, the number of people completing an educator preparation program at a Colorado college or university has fallen by 24 percent.

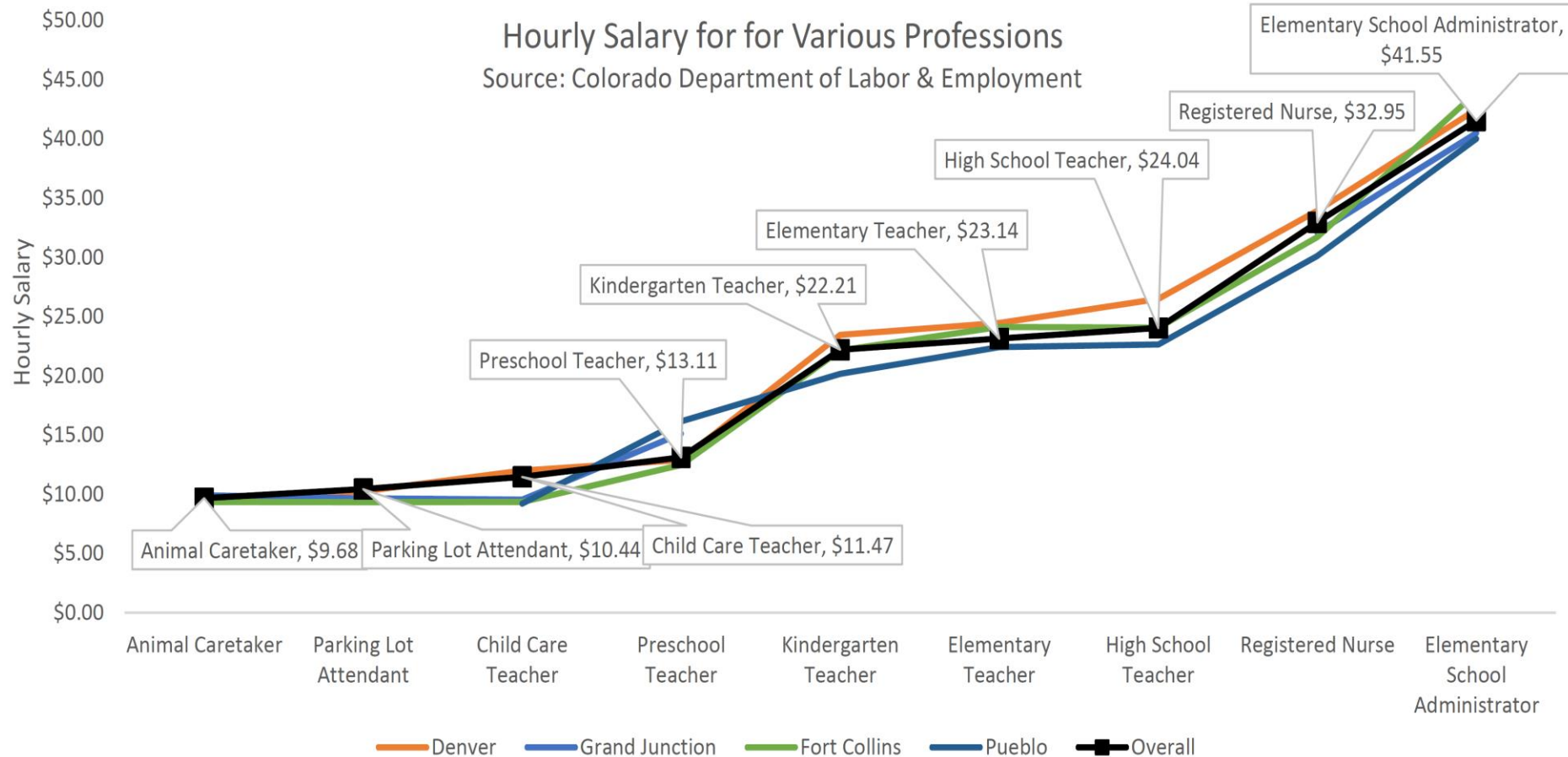


The number of students enrolling in an early childhood education preparation program at Colorado's community colleges has dropped by 30 percent in only two years.



Hourly Salary for for Various Professions

Source: Colorado Department of Labor & Employment



Demand for Early Childhood Services Will Increase as Colorado Grows



The Child Care Paradox

Although child care is **prohibitively expensive** for families, parent fees alone generate **insufficient revenue** for childcare businesses to operate high-quality programs that give childcare workers a living wage.



Who bears the cost of low investment in child care?



- **Public revenue**: 28% of the early care and education industry
- **Private sources** (primarily family fees): 72% of the early care and education industry.
- Additional costs borne by early care and education businesses and professionals are also substantial:
 - 44% more for a year of infant care than they would pay for a year of public college tuition in the state
 - A typical early care and education business operating at a level 3 on the has to cover an average annual gap between revenues and expenses of over \$37,000
 - Early care and education professionals earn just 51% of the average salary for kindergarten teachers in Colorado, placing them at the poverty level for a family of four

Who bears the cost of low investment in child care?



46%

of the early childhood workforce
receive public subsidies due to
low wages

- Pursuing educational advancement does not result in substantially higher wages for early educators.
- The average difference in hourly wages for a teacher with a high school diploma and a teacher with a bachelor's degree is \$3.07.

Demand for Early Childhood Teachers is Increasing When We Lack Enough already



- **More than 70%** of center directors report a top challenge to be finding qualified staff with an average of **2.5 months** to fill vacancies.
- The Colorado Department of Labor and Employment predicts a substantial increase in the need for early childhood teachers and leaders – between **33-43%** (depending on job category) through 2025

Considerations for Policymakers



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Considerations for Policymakers



- 1) Prioritize early care and education as the foundation of any new vision of an education system that **promotes third grade reading**, supports families in pursuit of **economic opportunity**, and ensures our businesses have the **workforce they need** to succeed.
- 2) Invest in research- and evidence-based approaches to giving children in the earliest years of life the **strong foundation** they need to begin school ready to learn and to be reading on grade level in the early elementary years.
- 3) Measure outcomes, **evaluate impact**, and adapt to emerging learnings.

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